

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY FRONTIER	)	
GAS, LLC, FOR APPROVAL OF ASSUMPTION	)	CASE NO. 2005-00426
OF EXISTING DEBT AND FINANCING OF NEW	)	
DEBT	)	

ORDER

Kentucky Frontier Gas, LLC (“Kentucky Frontier”) has applied for Commission approval of its proposed assumption of debt of several gas utilities and the issuances of new evidences of indebtedness to finance its proposed acquisition of the assets or corporate stock of those utilities. Simultaneously with this application, Kentucky Frontier has applied for Commission approval of its proposed acquisition of ownership of these gas utilities.<sup>1</sup>

KRS 278.300(1) provides:

No utility shall issue any securities or evidences of indebtedness, or assume any obligation or liability in respect to the securities or evidences of indebtedness of any other person until it has been authorized so to do by order of the commission.

As Kentucky Frontier has not yet acquired ownership or control of any facilities used to provide utility service, Kentucky Frontier is not a utility.<sup>2</sup> Consequently, it is

---

<sup>1</sup> Case No. 2005-00348, The Application of Kentucky Frontier Gas, LLC, Belfry Gas, Inc., Floyd County Gas (East Kentucky Utilities, Inc.), Elam Utility Company, Inc., and Mike Little Gas Company for Approval of Transfer and Acquisition of Assets and Stock and Issuance of A Certificate of Public Convenience And Necessity, If Necessary (Ky. PSC filed Aug. 30, 2005).

<sup>2</sup> See KRS 278.010(3).

currently not required to obtain Commission approval of any assumption of indebtedness or issuance of new evidences of indebtedness. The requirements of KRS 278.300 will become applicable to Kentucky Frontier only when it has acquired such ownership or control. Until that event occurs, Kentucky Frontier's application is not ripe for consideration.

IT IS THEREFORE ORDERED that Kentucky Frontier's application is dismissed without prejudice.

Done at Frankfort, Kentucky, this 28<sup>th</sup> day of October, 2005.

By the Commission

ATTEST:



Executive Director